

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
(DETROIT)**

In re:)	
)	
CITY OF DETROIT, MICHIGAN,)	CASE NO.: 13-53846
)	
Debtor.)	CHAPTER 9
)	
)	Hon. Steven W. Rhodes
)	

**THE WATER AND SEWER BOND TRUSTEE’S JOINDER TO
JOINT MOTION TO AMEND THE SOLICITATION PROCEDURES ORDER**

U.S. Bank National Association, in its capacity as trustee (the “Trustee”) for the DWSD Bonds¹ issued by the City of Detroit (the “City”) for the Detroit Water and Sewerage Department to finance and refinance improvements to the City’s Water Supply System and Sewage Disposal System, hereby submits this joinder (the “Joinder”) to the *Joint Motion to Amend the Solicitation Procedures Order* (Doc. No. 3954) (the “Motion to Amend”) filed by Assured Guaranty Municipal Corp. (“Assured”) and Berkshire Hathaway Assurance Corporation (“BHAC”). In support of this Joinder, the Trustee respectfully states:

1. The outstanding principal balance of the DWSD Bonds is approximately \$5.7 billion. There are sixty-six separate series of DWSD Bonds which have been assigned approximately 337 CUSIP numbers. Each CUSIP is a separate voting subclass under the Plan. The Trustee estimates there are thousands of Beneficial Holders of the DWSD Bonds.

¹ The City uses this same defined term in the *Amended Plan for the Adjustment of Debts of the City of Detroit*, dated as of March 31, 2014 (Doc. 3380) (the “***Plan***”). Capitalized terms used but not defined herein bear the meanings ascribed to such terms in the Plan.

2. Both the City's Plan and the ballots used for voting on the Plan contain a number of elections for the Beneficial Holders, including an election that will result in non-consenting Beneficial Holders waiving the rights granted to them under the Bankruptcy Code to object to confirmation of the City's Plan and to have this Court consider those objections. The election proposed by the City is not calculated to influence acceptance of the Plan, as it is available to both consenting and non-consenting voters. It is, instead, calculated to cause dissenting voters to waive their rights to object so that the City can seek a "cram down" on non-consenting Classes of DWSD Claims without any opposition by the consenting DWSD Bondholders.

3. The Trustee believes the "death trap" laid by the City inappropriately discriminates against non-consenting Beneficial Holders of DWSD Claims and may chill voting by the Beneficial Holders. Accordingly, the Trustee joins in the Motion to Amend and respectfully requests that this Court strike these waiver provisions from the Plan, the Disclosure Statement, and the ballots for Classes 1A to 1D.² The Trustee adopts and relies on the authorities cited by Assured and BHAC in their Motion to Amend in furtherance of this Joinder.

WHEREFORE, the Trustee respectfully requests that this Court: (i) grant the Motion to Amend, (ii) enter an order substantially in the form attached as Exhibit 1 to the Motion to Amend, and (iii) provide such other and further relief as is just and equitable.

² The form of the ballots for Class 1E and Class 1F are not at issue because the provisions at issue in the Motion are not included in those ballots. See *Motion of the City of Detroit for Approval of Amended Ballots* (Doc. No. 3463), at Ex. 6A.5.

Respectfully submitted this 11th day of April, 2014.

/s/ David E. Lemke

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing *Joinder to Joint Motion to Amend the Solicitation Procedures Order* was filed and served via the Court's electronic case filing and noticing system to all parties registered to receive electronic notices in this matter, this 11th day of April, 2014.

/s/ David E. Lemke

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